

Remarks to the Millennial Class

Ambassador Charlene Barshefsky
U.S. Trade Representative

2000 Commencement Address

Hood College
Frederick, MD

May 20, 2000

Good afternoon. Let me offer my thanks to President Shirley Peterson for inviting me to speak with you today; and to the graduates and your families, my deep gratitude for your willingness to share this special day.

It is a special honor to be invited by President Peterson, who is an old and dear friend; one of our country's trailblazers for women -- in education, in law and in government; and a person whose life exemplifies both personal success and commitment to the public good.

TOUCHED BY HISTORY

Your class has the benefit of these enduring values. Those of you who spent some of your time in Latin American studies or in Spanish House may remember lines from Sor Juana Ines de la Cruz, in her essay on the education of women:

"I might be reading, and those in the adjoining room would wish to play their instruments and sing; I might be studying, and two who had quarreled would ask me to settle their dispute; I might be writing and a friend come to visit me, at which time one must not only accept the inconvenience but be grateful."

Whether you studied Hispanic poetry, engineering or biology, I think all of you can recognize this experience. Your time here at Hood, for four years or a bit more, in the case of the Brodbeck Scholars, has given you the rare chance to live such a life and learn such values -- rigorous work and enduring friendship, awareness of responsibility and time for family.

You share this with each class before you and each class to follow. But you also leave Hood with a special and unusual distinction: you are touched by history.

As the millennial graduating class, historians and memoirists will write about you as a symbol of change and renewal. And they will look back upon this year -- with pride in achievement or regret at opportunities lost -- as one that, perhaps more than any in our country's history, embodied the hope and opportunity symbolized by the first two pillars of Alumnae Hall.

It is a time of material wealth. You will leave Hood in the longest era of uninterrupted growth in our country's history; the longest period of income growth since the 1960s; and a moment in which women have more opportunities than ever before. To choose only one statistic, last month we reached the lowest unemployment rate for women since 1953 – a date closer to the ratification of the Women's Suffrage Amendment than to the Million Mom March.

It is an age of revolutionary progress in science and medicine: computers and the Internet link Hood students with friends, family and colleagues around the world; scientists a few miles away at research firms and the National Institutes of Health will soon publish the sequence of the human genetic code; machines built in the United States have cloned sheep, X-rayed the fossilized hearts of dinosaurs and walked across the face of Mars.

It is an era of not universal but widely shared international calm: our country is at peace with the great nations of the world; the principles of democracy and rule of law to which we aspire are more widely accepted than ever before.

THE TEMPTATIONS OF PROSPERITY

It is a fortunate time to be alive; and a remarkable era in which to leave Hood, whether to begin your careers or to continue your studies. We should be thankful for this; but as we are appropriately thankful, we should also recognize that none of our blessings are absolute:

- In an era of unmatched prosperity, poverty and violence persist in many areas of the United States; and some of the policies which make up America's social safety net – health insurance, Head Start, Social Security – have gaps or face financial challenge.
- The advance of science and technology brings with it complex questions, from the implications of telecommunications and the Internet for the protection of privacy, to the changes that understanding of the genetic code will bring to agriculture and medicine.
- As we enjoy an era of peace, beyond our borders great questions remain: the scandals of enduring poverty and of child labor; the spread of HIV and AIDS; environmental challenges from climate change to the loss of species; conflicts in some regions and unresolved divisions among the great powers.

And in this moment, when our nation enjoys such security and prosperity, all of us face a great temptation. Individuals can turn inward, thinking simply of careers and personal advancement. Countries can do likewise, accepting the status quo or believing that when others prosper, it is at their expense. We know this is true because it has happened before -- and my own field of trade policy is one of the great examples.

USTR AND U.S. TRADE POLICY

As the U.S. Trade Representative, I run an agency which addresses nearly \$2.5 trillion in American trade with the world; monitors and enforces a network of agreements that has grown by nearly 300 since 1992; and develops the agenda of the future.

Incidentally, this is a place where -- as much as anywhere in the government -- women set out and execute America's policy agenda. I am joined by the President's political appointees, including my Deputy Susan Esserman, who spoke at Hood last year; our Geneva Ambassador Rita Hayes; our Chief of Staff; our principal career negotiators for Japan, Europe, Africa and the World Trade Organization and our acting chief negotiator for manufacturing and high-tech industry; our lead officers on both enforcement and trade and the environment; our chief of Congressional relations; and many others.

What is especially interesting and instructive about the Office of the USTR, though, is that much of our work -- over more than half a century of American trade policy -- has revolved around the attempt to undo a single act of folly made at a very similar moment in American history.

This was the passage of the Smoot-Hawley Act seventy years ago, as your predecessors graduated from Hood in 1930. That era in many ways resembled our own: it was a time of rapid economic development, new technologies and enthusiasm for the stock market; a time when many felt the world was rushing in on us through trade, immigration and cultural change.

In these years, trade had raised concerns much like those we see today. Just as in the 1990s, trade with what Herbert Hoover called the "young expanding countries" in Asia and Latin America had grown rapidly. And -- just as we have seen in this month's debates over trade with Africa, the Caribbean and China -- many feared prosperity in these countries would come at our expense. They believed, as Hoover put it in a message to Congress, that we "cannot successfully compete against foreign producers because of lower foreign wages and a lower cost of production."

This argument appeals to powerful fears: to date they have not prevailed, but in 1929 and 1930 they did. The result is still taught in history and economics departments: the adoption of the Smoot-Hawley Act, and a cycle of tariff hikes and retaliation which, spreading around the world under the pressure of financial crisis, cut trade by 70% between 1930 and 1933. The result deepened and lengthened the Depression, intensified the political tensions of the era and -- at least in the view of our postwar leaders -- contributed to the outbreak of war. It was a mistake made under the pressure of fears which are natural, understandable and as alive today as they were seventy years ago.

DEVELOPMENT OF THE TRADING SYSTEM

The initiative which has been at the heart of American trade policy since the postwar era, and which is our central focus in the Clinton Administration -- the trading system embodied first

by the General Agreement on Trade and tariffs, and now by the World Trade Organization -- is a response to these events. The postwar leaders had learned by experience that, to quote Franklin Roosevelt:

“A basic essential to peace, permanent peace, is a decent standard of living for all individual men and women and children in all nations. Freedom from fear is eternally linked with freedom from want. [And] it has been shown time and time again that if the standard of living in any country goes up, so does its purchasing power -- and that such a rise encourages a better standard of living in neighboring countries with whom it trades.”

This is a more generous, more confident and also a more realistic view than that presented by Hoover. For half a century we have acted on it, slowly building a world of open markets under the rule of law, in which the trading system now embodied by the World Trade Organization was accompanied by the policies and institutions of postwar internationalism:

- Collective security, reflected by the United Nations, NATO, the Rio Treaty and our alliances with the Pacific democracies.
- Commitment to human rights, embodied by the Universal Declaration on Human Rights and then a series of more recent Conventions.
- Open markets and economic stability, with the creation of the IMF and World Bank on the one hand, and the foundation of the WTO's predecessor organization, the General Agreement on Tariffs and Trade or GATT, on the other.

The trading system now embodied by the World Trade Organization is imperfect and can be reformed and improved; but when we step back for a moment we see its enormous benefit. In economic terms, since the foundation of the GATT trade has expanded fifteen-fold; the world economy grown six-fold; and per capita income nearly tripled. The results has been an unprecedented era of social progress: since the 1950s, world life expectancy has grown by twenty years; infant mortality dropped by two-thirds; and famine receded from all but the most remote, war-torn or misgoverned corners of the world. This has also made a substantial contribution to the economic strength of our own country.

And in political terms, the trading system has helped us address questions central to world peace and stability: reintegrating Germany and Japan in the 1950s; helping the nations emerging from colonial rule in the 1960s and 1970s find their place; and now, after the Cold War, promoting economic reform and integration with the world for nearly 30 nations breaking with communist planning systems.

THE CHINA DEBATE

Next Tuesday, Congress will open one of the most important debates in the history of this system, as it considers China's decision to join the WTO.

In purely economic terms, for Americans China's WTO accession means stronger guarantees of fair trade, and new export and job opportunities across the spectrum of farm products, industrial goods and services.

For China – for decades one of the great enemies of the system of open markets under the rule of law the WTO represents – WTO accession is a way to deepen and accelerate economic reforms which have created partial but real personal freedoms, and lifted more than 200 million men and women out of poverty.

For advocates of democracy and human rights in China and Hong Kong – men and women like Bao Tong, jailed for seven years after Tiananmen Square; the writer and environmentalist Dai Qing; Martin Lee, leader of Hong Kong's Democratic Party – they are China's most important step toward reform and liberalization in 20 years.

And for our Pacific neighbors they mean a more full and secure integration of China into the regional economy, and therefore a greater stake for Asia's largest nation in regional peace and stability.

This first great debate of the new millennium therefore poses a test to our strategic vision. If we remain true to the confident internationalism we have asserted since the postwar era, and to the generous ideas of shared responsibility and mutual interest at the heart of these principles, we can address some of the disagreements and tensions in our relationship with China; and we can do our part to build the foundation for a relationship of fundamental importance to peace in the decades ahead.

If, to the contrary, we again turn inward under the pressure of fears and uncertainties, we will – in hoping to preserve the status quo – take a step, as the President says, towards a future of dangerous confrontation and constant insecurity.

CONCLUSION

This choice, in a way, symbolizes the larger choice facing our country as the new century begins; and which in some ways reflects the individual choices each of us must make as we balance our careers and personal goals with our responsibilities to neighborhood and country.

Each of the blessings we enjoy today comes with its own challenges and responsibilities. We can choose to take these challenges up; or we can choose to let them be. As Edmund Burke wrote, "for the triumph of evil all that is necessary is for good men to do nothing." And for better or worse, countless generations of women have learned to expect men – good, bad or indifferent – to do exactly that – nothing – whenever they get the chance.

So the future is up to you. As you create it, the Class of 2000 will find history watching you more closely, and recording your decisions more carefully, than it will do for any class before

or since. This may be an accident of the calendar, but it is reality.

But for this challenge, you could have no better preparation. Those habits and values Hood has taught – discipline and determination; skeptical thought and inquiry; cooperation for the common good – will be with you forever.

They will serve you well; and they will serve the world well. Once again, my congratulations on this special day; and I thank you very much.